'89 Rank	'88 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
64	55	Diebold, Inc. Canton, OH	Linda Taylor	—	PH&H	800	1,800 —	2,600
65	78	Van Pool Services Detroit, MI	Kenneth C. Sieloff	X	—	—	2,519	2,519
66	61	General Foods White Plains, NY	Barbara Amrod	X	Wheels	2,400	100	2,500
67	66	The Upjohn Co. Kalamazoo, MI	Stephen A. Levine Juanita Perry Lenora Webster	X	Wheels, GEC Fleet	2,195	290	2,485
68	74	Transamerica Corp. Schaumburg, IL	A. F. Wooten	X	—	2,400	75	2,475
69	—	Service Corp. Int'l Inc., Houston, TX	Gary L. Sanders	X	X	896	1,574	2,470
70	65	Hartford Insurance Hartford, CT	Diane Brittell	—	PH&H	2,324	85	2,409
71	72	Keebler Co. Elmhurst, IL	William R. Stanley Deborah L. Mellone	—	Wheels, GEC Fleet	2,125	275	2,400
72	69	CIGNA Corp. Philadelphia, PA	Timothy Hagarty	X	PH&H	2,231	121	2,352
73	44	PPG Industries Pittsburgh, PA	Debbie Durick Vic Pelletier	—	GEC Fleet	1,375	975	2,350
74	68	Continental Insurance Cranbury, NJ	William J. Benzie Victor Kaplij	—	PH&H	2,295	5	2,300
75	79	Abbott Labs Abbott Park, IL	Richard Derreberry	—	PH&H, Wheels	2,156	141	2,297
76	—	Bristol-Myers Evansville, iN	Thomas E. Anslinger	—	PH&H, Wheels	2,040	241	2,281

'89 Rank	'88 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
77	—	McKesson Corp. San Francisco, CA	Martin J. Ward	X	X	1,100	1,075	2,175
78	89	Gulf & Western, Inc. Madison, WI	John W. Simon	X	Associates Leasing	2,100	50	2,150
79	92	Montgomery Wards Chicago, IL	Roseann Neveitt	—	PH&H, GEC Fleet	228	1,916	2,144
80	77	Eli Lilly Co. Indianapolis, IN	H. V. Hasler, Sue Webster, Roger Green	X	Wheels	1,930	213	2,143
81	—	Baxter Healthcare Corp. Deerfield, IL	Patrick J. Sheehan	—	Wheels, GEC Fleet	2,100	—	2,100
82	76	Avon Products, Inc. New York, NY	Maxine Sullivan	—	GEC Fleet	2,000	60	2,060
83	75	Hewlett Packard Western Reg. No. Hollywood, CA	Craig Kundrotas	X	In-house	2,000	18	2,018
84	71	Control Data Corp. Minneapolis, MN	Kathleen L. Wester	—	McCullagh	1,800	200	2,000
85	84	FMC Corp. Chicago, IL	Lawrence Dakof	X	GEC Fleet	1,000	1,000	2,000
86	58	Shaklee Corp. San Francisco, CA	Janice Williamson	X	In-house	1,850	150	2,000
87	85	Ingersoll Rand Co. Piscataway, NJ	Patricia Pearsall	—	Wheels	1,306	663	1,969
88	80	Pony Express Courier Charlotte, NC	William J. Glasheen	—	Trans-America Finance Corp.	89	1,867	1,956

'89 Rank	'88 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
89	91	USF&G Insurance Baltimore, MD	James D. Myers	X	—	1,864	12	1,876
90	88	Brown & Williamson Tobacco Louisville, KY	Charles M. Cooley	X	—	596	1,266	1,862
91	81	Hoechst Celanese Somerville, NJ	James Devine Isabel Bogusz	X	Wheels, PH&H GEC Fleet	1,652	192	1,844
92	—	**Electronic Data Systems** Richardson, TX	Rich Piper	X	X	1,018	816	1,834
93	—	**Stroehmann Bakeries** Horsham, PA	Paul M. Gossard	X	PH&H	190	1,600	1,790
94	90	Liberty Mutual Ins. Co. Boston, MA	Barbara Feinberg	X	—	1,750	13	1,763
95	87	Bank of America Concord, CA	Al Davis Dave Olson	X	—	1,322	415	1,737
96	94	General Mills Minneapolis, MN	Henry Paetzel Dick Livermore	X	—	1,496	230	1,726
97	86	GAB Business Services Parsippany, NJ	G. J. Keenan	X	PH&H, GEC Fleet	1,712	8	1,720
98	—	**NCR Corp.** Dayton, OH	Ann Mangen	X	Wheels, PH&H	730	990	1,720
99	56	Wickes Co. Inc. Irvine, CA	Terry Flesia	—	Associates, Leaseplan USA	1,098	486	1,584
100	98	Hallmark Cards Kansas City, MO	Debby Mize	X	—	1,500	75	1,575
		TOTALS				**219,809**	**211,512**	**431,321**

Bold faced companies are new to this year's list.

For the first time, NAFA's 1988 study of fleet operating expenses differentiates between passenger cars, vans, and light-duty trucks. By distinguishing between types of fleet vehicles, comparisons should be easier.

NAFA's 1988 Operating Expense Survey

The National Association of Fleet Administrators' 1988 Fleet Operating Expense Survey individually itemizes expenses for passenger cars, vans, and light-duty trucks.

The fleets in this survey control 109,573 vehicles, of which 65,522 are company-owned and 44,051 are leased. Commercial fleets control 21,918 company-owned vehicles and 43,634 leased vehicles, for a total of 65,552. Public service fleets control 43,604 company-owned vehicles and 417 leased vehicles, for a total of 44,021.

More than 65 percent of the vehicles represented in this survey are automobiles, 21.4 percent are light-duty trucks, and 13.4 percent are vans. Most of the automobiles are mid-size, followed by compacts, full-size, subcompacts, and executive. (See charts for actual numbers.) Most of the vans are full-size, rather than minivans.

In this year's survey, responding sales fleets reported paying an average for each automobile of 4.22 cents/mile for fuel, 0.19 cents/mile for oil, 1.60 cents/mile for maintenance and repairs, and 0.38 cents/mile for tires and tire repairs. Some sales fleets responded only in total operating expenses rather than separate expenses for each of the

Number of Vehicles in Survey

Primary Fleet Use	Company-Owned	Leased	Total
Sales	7,842	27,391	35,233
Service/Repair	13,907	15,468	29,375
Public Utility	26,587	323	26,910
Government	14,463	78	14,541
Law Enforcement	2,554	16	2,570
Other	169	775	944
Total	65,522	44,051	109,573

Types of Vehicles In Responding Fleets

Primary Fleet Use	Sub-Compact	Compact	Mid-Size	Full-Size	Luxury	Total Cars	Mini-Vans	Full-Vans	Total Vans	Light Duty Trucks	Total Vehicles
Sales	1,229	7,034	20,400	740	241	29,644	2,919	2,022	4,941	648	35,233
Service/Repair	91	8,871	11,421	732	137	21,252	1,762	793	2,555	5,568	29,375
Public Utility	5,828	2,436	1,230	177	8	9,679	761	4,590	5,351	11,880	26,910
Government	772	2,999	1,442	2,724	8	7,945	207	1,251	1,458	5,138	14,541
Law Enforcement	2	39	713	1,624	22	2,400	13	51	64	106	2,570
Other	22	31	400	36	21	510	19	327	346	88	944
Total	7,944	21,410	35,606	6,033	437	71,430	5,681	9,034	14,715	23,428	19,573
% of Total	7.3	19.5	32.5	5.5	0.4	65.2	5.2	8.2	13.4	21.4	100.0

following items, so the average total operating expense for each automobile is 6.39 cents/mile. Each automobile in this category is driven an average of 2,204 miles each month.

According to survey results, for sales fleets that kept their automobile figures in a dollar/month/vehicle system, the average automobile expense list is: fuel, $95.55/month; oil, $4.78/month; maintenance and repairs, $33.78, and tires and tire repairs, $8.09. Again, for those respondents giving only total dollars/month/vehicle rather than individual expenses for each item, the total average dollars/month/vehicle is $142.46. Each automobile in this category is driven an average of 2,135 miles each month.

Sales fleets using both mini- and full-sized vans say they pay, for each van, an average of 6.09 cents/mile for fuel, 0.42 cents/mile for oil, 2.43 cents/mile for maintenance and repairs, and 0.50 cents/mile for tires and tire repairs. For van expenses, the average total was 9.11 cents per vehicle per mile. These vans are driven an average of 2,542 miles each month.

Sales fleets that use vans and keep their figures in dollars/month/vehicle form say they pay, for each van, an average of $93.57/month for fuel, $8.74 for oil, $32.85 for maintenance and repairs, and $11.26 for tires and tire repairs. Total average dollars/month/vehicle in this category was $157.86. Each vehicle in this category is driven an average of 1,970 miles each month.

Sales fleets utilizing light-duty trucks say they pay, for each truck, an average of 7.61 cents/mile for fuel, 0.23 cents/mile for oil, 2.99

Automobile
Average Cents/Mile Cost Per Vehicle
(All Size Vehicles)

Primary Fleet Function	Average Monthly Mileage	Fuel	Oil	Maintenance and Repairs	Tires and Tire Repairs	Total*
Sales	2,204	4.22¢	0.19¢	1.60¢	0.38¢	6.39¢
Service/Repair	2,229	4.47	0.25	1.63	0.38	6.72
Public Utility	1,242	3.99	0.77	1.93	0.41	7.89
Government	3,683	4.34	0.32	2.97	0.46	9.94
Law Enforcement	1,864	4.65	0.19	2.27	0.79	7.66
Other	2,269	4.45	0.33	2.47	0.24	7.53

*When individual average costs are added, their total may not equal the total shown due to the fact that some respondents gave only Total Expenses and not expenses for each item.

Automobile
Average Dollar/Month Cost Per Vehicle
(All Size Vehicles)

Primary Fleet Function	Average Monthly Mileage	Fuel	Oil	Maintenance and Repairs	Tires and Tire Repairs	Total*
Sales	2,135	$ 95.55	$4.78	$33.78	$ 8.09	$142.46
Service/Repair	2,025	120.04	7.47	37.84	10.65	176.38
Public Utility	1,048	36.77	3.08	53.44	8.01	94.25
Government	1,038	54.95	6.00	39.14	5.43	117.20
Law Enforcement	1,108	60.14	1.90	90.59	13.00	163.92
Other	2,777	119.01	2.48	25.26	7.19	153.94

*When individual average costs are added, their total may not equal the total shown due to the fact that some respondents gave only Total Expenses and not expenses for each item.

Vans
Average Cents/Mile Cost Per Vehicle
(Mini- and Full-Size Vans)

Primary Fleet Function	Average Monthly Mileage	Fuel	Oil	Maintenance and Repairs	Tires and Tire Repairs	Total*
Sales	2,542	6.09¢	0.42¢	2.43¢	0.50¢	9.11¢
Service/Repair	2,154	5.71	0.31	2.95	0.71	10.69
Public Utility	1,000	6.05	0.66	4.84	0.98	13.15
Government	1,707	6.60	0.33	4.39	0.53	14.25
Law Enforcement	1,600	4.50	0.50	2.50	0.50	7.50
Other	2,473	6.54	0.75	2.15	0.25	13.41

*When individual average costs are added, their total may not equal the total shown due to the fact that some respondents gave only Total Expenses and not expenses for each item.

cents/mile for maintenance and repairs, and 0.84 cents/mile for tires and tire repairs. For light-duty trucks, the total average cents/mile expense was 11.31. These trucks are driven an average of 1,920 miles each month.

Fleets keeping light-duty truck expenses in dollars/month/vehicle say they pay an average of $100.17 for fuel, $6.08 for oil, $29.88 for maintenance and repairs, and $14.17 for tires and tire repairs. Total average dollars/month/vehicle in this category was $146.90. Light-duty trucks in this category were driven an average of 2,267 miles each month.

Responding fleets said their average original cost was $10,721 for 1988-model year automobiles; $13,119 for 1988 vans; $10,467 for 1988 light-duty trucks.

Automobiles in responding fleets are depreciated over an average period of 48 months; however, the most often cited depreciation periods were 50 and 60 months. Vans are depreciated over an average period of 53 months, and light-duty trucks are depreciated over an average period of 58 months. Fleets depreciate all vehicles in the survey an average of two percent every month; this was by far the most often cited depreciation rate.

More than 88 percent of respondents indicated that they are self-insured for property damage to their vehicles, while 61 percent said that they administer a safety/accident reduction program for their fleets.

For this year's operating expense survey, fleet managers were asked to choose the category that best described their fleet's primary function. Forty-five percent of the respondents said their primary fleet

Vans
Average Dollar/Month Cost Per Vehicle
(Mini- and Full Size)

Primary Fleet Function	Average Monthly Mileage	Fuel	Oil	Maintenance and Repairs	Tires and Tire Repairs	Total*
Sales	1,970	$ 93.57	$ 8.74	$32.85	$11.26	$157.86
Service/Repair	2,583	118.32	14.12	39.00	17.50	173.50
Public Utility	1,101	68.46	6.90	31.72	19.59	144.58
Government	NA	NA	NA	NA	NA	NA
Law Enforcement	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA

*When individual average costs are added, their total may not equal the total shown due to the fact that some respondents gave only Total Expenses and not expenses for each item.

Light-Duty Trucks
Average Cents/Mile Cost Per Vehicle

Primary Fleet Function	Average Monthly Mileage	Fuel	Oil	Maintenance and Repairs	Tires and Tire Repairs	Total*
Sales	1,920	7.61¢	0.23¢	2.99¢	0.84¢	11.31¢
Service/Repair	1,866	8.44	0.27	4.70	0.96	15.17
Public Utility	1,070	6.85	0.80	5.32	0.95	13.56
Government	1,946	5.69	0.37	5.19	0.85	13.67
Law Enforcement	1,350	6.00	0.30	3.00	0.70	9.93
Other	NA	NA	NA	NA	NA	NA

*When individual average costs are added, their total may not equal the total shown due to the fact that some respondents gave only Total Expenses and not expenses for each item.

Light-Duty Trucks
Average Dollar/Month Cost Per Vehicle

Primary Fleet Function	Average Monthly Mileage	Fuel	Oil	Maintenance and Repairs	Tires and Tire Repairs	Total*
Sales	2,267	$100.17	$ 6.08	$29.88	$14.17	$146.90
Service/Repair	NA	NA	NA	NA	NA	NA
Public Utility	2,130	74.49	4.68	36.33	15.94	157.74
Government	2,325	71.81	6.00	43.06	19.81	135.44
Law Enforcement	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA

*When individual average costs are added, their total may not equal the total shown due to the fact that some respondents gave only Total Expenses and not expenses for each item.

function was sales; 20 percent, service/repair; 14 percent, government; 11 percent, public utility; five percent, law enforcement, and five percent said "other."

As a means of verifying the results of the operating expense survey, NAFA asked several leasing companies to include their composite operating expenses. A "control group" of 10 fleet managers was devised, from both the commercial and the public fleet sectors, who were known to have accurate, up-to-date operating cost statistics. Above is a detailed comparison of the averages of responding sales fleets, the control group, and the leasing companies.

The control group spends an average of 4.22 cents/mile/vehicle (c/m/v) on fuel; fleets in the operating cost survey average 4.50 c/m/v; participating leasing companies average 4.64 c/m/v.

For oil, the control group averages 0.22 cents/mile/vehicle, while the survey average is 0.19 c/m/v, and the leasing companies average is 0.07 c/m/v.

The control group spends an average of 1.52 cents/mile/vehicle on maintenance and repairs; survey respondents average 1.60 c/m/v, and leasing companies average 1.82 c/m/v.

With regard to tires and tire repairs, the control group and the survey respondents both average 0.38 cents/mile/vehicle, while the leasing companies average 0.29 c/m/v.

Total operating expenses for the control group is 6.32 cents/mile/vehicle; the survey average is 6.39 c/m/v; the leasing companies average 6.82 c/m/v.

The control group is responsible for 24,064 vehicles, of which 21,655 are company-owned and 2,409 are leased. These vehicles are driven an average of 1,451 miles each month. The survey group controls 7,842 company-owned and 27,391 leased vehicles, for a total of 35,233. These vehicles are driven an average of 2,173 miles each month. The leasing companies did not specify the number of vehicles for which their numbers were based, but each vehicle was driven an average of 2,108 miles each month. AF

NOTE

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